

**SPOKANE CONSERVATION DISTRICT**  
 210 N. Havana, Spokane, WA 99202  
**BOARD MEETING MINUTES**  
 Tuesday, September 12, 2017

**Attendees**

**Supervisors:** Jerry Scheele, Randy James, Wendy Knopp, Tom Miller

**Absent:** Jaki Shrauger

**Associate Supervisors:**

**SCD Staff:** Vicki Carter, Cori Turntine, Erica Johnson, Garth Davis, Seth Flanders, Vince Peak, Ty Meyer

**Guests:** Chad Greif, BIAS; Patrick Lewis, FSA; Robert Forster, Forster Financial

Chair Scheele called the meeting to order at 5:00pm and noted a couple items that we will not cover: board positions will not be decided due to an absent board member, and there is no need for an executive session.

**Motion James/Miller to accept the agenda with changes as stated. Motion carried.**

**Previous Meeting Minutes**

Minutes from the August 7 meeting and July 17 special meeting were previously distributed for review. Vicki Carter reviewed the purpose of the special meeting.

**Motion Knopp/James to approve the August 7 Meeting Minutes and July 17 Special Meeting Minutes. Motion carried.**

**TREASURER'S REPORT**

ACCOUNT	BEG. BALANCE	DEPOSITS	WITHDRAWALS	END BALANCE	OUTSTANDING BALANCE	ADJ. BALANCE
PayPal Merchant Acct	0	6,081.84	3,925.16	2,156.68	0	2,156.68
PayPal Transfer Acct	350.00	3,925.16	3,925.16	350	0	350
Checking Inland NW Bank	463,799.89	272,902.07	328,944.06	407,757.90	0	153,017.80
MMA Inland NW Bank	34,210.05	2.91	0	34,212.96	0	34,212.96
LGIP	1,231,899.80	1,161.42	0	1,233,061.22	0	1,233,061.22

Acting Auditor Randy James presented the August Treasurer's Report and summarized his verification of account balances and cancelled checks. He read the account balances and treasurer's report figures aloud. **Treasurer's Report:** Receipts: 15135-15137, 15140, 15144, 15148-15255, 15259, 15262-15264, 15269-15272; EFTs: 2378, 2227, 2237, 2339-2354, 2356, 2403, 2405, 2444-2502, 2520, 2557, 2568, Claims: 45421-45551; Voids: 45518 - wrong amount, 45517 - duplicate, 45491, 45450 - printer errors, 45425 - duplicate; 2456, 2501 duplicates; Refunds: 15232 - partial refund to FFE customer who registered incorrectly. **Accounts Payable:** \$301,132.02. James asked several questions regarding expenses and Carter was able to give more detail.

**Motion James/Knopp to accept the August Treasurer's Report and the September Accounts Payable as presented. Motion carried.**

**NEW BUSINESS / LINKAGE TO COMMUNITY**

**Public Comments/Introductions**

Chair Scheele introduced Vincent Peak, SCD intern, and Patrick Lewis, Farm Service Agency. Lewis

answered several questions about the USDA reorganization; FSA was given special hiring authority in order to fill vacancies, but NRCS has not been able to hire this way. Administrative positions are being consolidated, sometimes as far as four states being managed by one HR person. They see a lot of turnover at the end of a farm bill fiscal year.

Chair Scheele introduced Robert Forster of Forster Financial. Forster explained the process the district would undertake in moving to American Funds; each staff person can decide if they want to move their Voya funds. Carter noted that to make this switch, we will need board approval. The new investments will be in mutual funds and include a third party administrator (TPA). Knopp asked why the board is responsible for this decision; Carter explained that the TPA equivalent type of fees are currently being paid by the individual staff members, and in the new plan, these fees will be paid by the district. Gage Stromberg, TPA, was going to waive the set up fee, but the other TPA fees would be \$35 per person, plus \$2,100 annually and the grand total for SCD would be around \$3,500. The individual funds will also have fees disclosed per fund. Forster recommended that this be a board decision regardless of the fee structure. Carter wants to have Gage attend a board meeting to give the board a full picture prior to formal approval; in the meantime, Forster will take appointments with employees to prepare their plans and paperwork.

## **Governance Culture**

### **Board Positions**

Tabled.

### **Financial Report**

Chad Greif said that Carter and Cori Turntine have created the budget amendments for approval. Greif read through the balance sheet. Due to the changes in assets, Chad recommends a professional valuation of the new property and other physical assets. Carter will forward him valuation documents to use in his balance sheet. Ty Meyer will also have some asset values to update the balance sheet.

### **Draft Budget**

Carter noted that we need approval for the amendments on the current budget before we present the 2018 draft budget next month. There are at least four different funds that will be impacted.

**Motion James/Knopp to approve the budget amendments that were reviewed at the August 7 planning session. Motion carried.**

### **Directors Report**

Carter distributed the RFQ proposals from the local firm and Missoula firm for work on our new property. The RFQ encompassed several criteria to help us develop the property through multiple phases. The building on the new property recently had the interior painted, and we will be turning it over to a commercial leasing company to help us find a tenant; leasing that building will generate a significant return. The goal is to have our new building constructed in two years.

Vets on the Farm plans to have a farm stand next year and 2-3 farmers working individual plots.

Home Depot will be providing approximately \$15,000 in material, plus labor, to remodel the farm house kitchen and bathroom, and update interior and exterior paint. Mama Torrez Salsa continues to be an excellent customer and supporter of Vets on the Farm. Northwest Farm Credit Services will be doing a volunteer day as well as Gonzaga University to support the Home Depot work.

Michael Crowder from WACD has requested that Leonard Jordan be supported as NRCS Chief. Carter can forward letters of support.

The pending public records request has been withdrawn and the recent court hearing went very well. William N. Demers will no longer contact Carter by email, voicemail, in writing, in person or otherwise. Carter has personally incurred over \$1,700 in legal fees with this issue in order to protect herself and district staff. The board will consider reimbursing these expenses due to the nature of the event causing such action. The legal fees to the district and Carter combined will cost between \$5-6,000. Staff time and lost productivity would make the total cost astronomical. Security will be dealt with in a "campus" fashion between us and WSU Extension. Our lock down policy will be formalized and new security infrastructure at the front door is being explored.

#### **Water Resources**

Seth Flanders described a funding issue that our RCPP is having with the state budget and WSCC. We only have enough funding to maintain current contracts. Flanders and Lindsay Chutas traveled to Whatcom County to receive edge of field monitoring training. Flanders will be selecting landowners and making installations this fall. Carter mentioned that many of our cost-share projects are 100%, and our policy does allow up to 100%. The drawback is that landowners do not have skin in the game. Carter will bring the board some policy changes revolving around cost share to the next board meeting.

#### **Forestry**

Garth Davis received a request from Spokane County Parks regarding a potential Spokane Conservation Futures property. It is currently a nursery, and the conservation district may be given the opportunity to use the conservation property for a very low cost. There is potential for a Veterans project or long-term nursery project that Garth and Vicki will explore.

#### **Direct Seed**

The direct seed drill will be used on some of our small acreage customer land to compare germination performance with our small acreage drill. The small drill may not have the weight and the down pressure to seed into sod after such a dry season. A Conex shipping container has been purchased to store supplies, etc. and is located at the new property rather than leasing space at the fairgrounds.

#### **WSCC Livestock**

Turntine presented an addendum for an additional \$1,200 for staffing, coordination and TA for livestock projects with 25% overhead rate.

**Motion James/Knopp to approve the WSCC Livestock TA funding addendum. Motion carried.**

## **NE Area Resolutions**

Carter announced that the NE Area Meeting will be held in Davenport on October 19. RSVP to Carter and let her know of any resolutions as soon as possible.

## **OPERATIONAL EXPECTATIONS**

### **Correspondence and Announcements**

- Vets on the Farm meeting at Shepherd's Grain - Thursday, Sept. 14
- Cultivating Success – Starts September 26 and will be held at WSU Extension in order to use satellite sites with video conferencing.
- There is interest in Valleyford producers to form a marketing cooperative similar to Greenbluff; we will stay involved in these conversations with Vets on the Farm.
- NE Area Meeting – Lincoln CD Hosts – October 19
- Food & Farm Expo – SCC – November 3 & 4

Jaki Shrauger has asked for an update on the Rhizoterra loan. After Avril Stevenson came, we requested that collateral be substituted for any collateral that is released; we have not had such collateral offered for consideration.

Advanced payroll through BIAS is being pursued; it will save a lot of time if it's set up correctly. It will be especially helpful for Department of Ecology and WSCC vouchering. Turntine and Carter will attend a demonstration.

## **READING OF THE MOTIONS**

**Motion James/Miller to accept the agenda with changes as stated. Motion carried.**

**Motion Knopp/James to approve the August 7 Meeting Minutes and July 17 Special Meeting Minutes. Motion carried.**

**Motion James/Knopp to accept the August Treasurer's Report and the September Accounts Payable as presented. Motion carried.**

**Motion James/Knopp to approve the budget amendments that were reviewed at the August 7 planning session. Motion carried.**

**Motion James/Knopp to approve the WSCC Livestock TA funding addendum. Motion carried.**

Meeting adjourned at 7pm.

Respectfully submitted by: Erica Johnson

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***Jerry Scheele, Board Chair***

***Randy James, Vice Chair***